

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: [CS/HB 1387](#)

TITLE: State Economic Development Contracts

SPONSOR(S): Overdorf

Committee References

[Housing, Agriculture & Tourism](#)

11 Y, 4 N, As CS

[Transportation & Economic Development Budget](#)

11 Y, 4 N

[Commerce](#)

SUMMARY

Effect of the Bill:

The bill creates the Taxpayer Dollars Protect Workers Act (Act) to provide that, in order to be eligible for an economic development incentive, an employer may not:

- Grant recognition rights for employees solely on the basis of signed labor organization authorization cards if the selection of a bargaining representative could instead be accomplished through a secret ballot election by the National Labor Relations Board;
- Voluntarily disclose an employee's personal contact information to a labor organization without the employee's prior written consent;
- Sign a neutrality agreement with a labor organization; or
- Require a subcontractor to engage in any of the foregoing activities.

The bill requires the Department of Commerce (Department), before awarding an economic development incentive, to enter into a separate agreement with the recipient of the incentive to reserve the right of the Department to recover any incentives if the recipient violates the Act. The bill authorizes anyone to report a suspected violation of the Act to the Attorney General (AG) and requires the AG to investigate the violation. If the AG finds the employer in violation of the Act the AG must initiate proceedings to recover incentives awarded to the employer.

Fiscal or Economic Impact:

The bill appears to have an indeterminate fiscal impact on state expenditures. The bill will have an insignificant fiscal impact on Department of Commerce workload. The bill may have an indeterminate negative fiscal impact on the Attorney General, but it is expected the AG can handle the workload within its existing resources.

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ANALYSIS

EFFECT OF THE BILL:

The bill creates the "Taxpayer Dollars Protect Workers Act" (Act). (Section [1](#)).

The bill provides the following definitions:

- "Contract" means an agreement between an employer and the state, or an agreement between an employer and a labor organization.
- "Economic development incentive" means a state grant, authorized under this chapter for the purposes of economic development, provided to an employer to attract or retain the employer's physical presence in this state.
- "Employee" means an individual who performs services for an employer for wages that are subject to withholding requirements under 26 U.S.C. s. 3402.

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- “Employer” means a business entity that voluntarily pursues economic development incentives authorized under this section or enters into an agreement with the Department of Commerce (Department) for the purpose of receiving those incentives.
- “Labor organization” means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, hours of employment, or conditions of work.
- “Neutrality agreement” means an agreement signed with a labor organization wherein the employer agrees to conditions including, but not limited to, not speaking to employees about labor organization issues.
- “Personal contact information” means an employee's home address, home or personal cellular telephone number, or personal e-mail address.
- “Secret ballot election” means a process conducted by the National Labor Relations Board (NLRB) in which an employee casts a secret ballot for or against labor organization representation.
- “Subcontractor” means a person or entity that has contracted with an employer to perform work or provide services. (Section 2).

The bill establishes that to be eligible for an [economic development incentive](#), an employer may not:

- Grant recognition rights for employees solely on the basis of signed [labor organization](#) authorization cards if the selection of a bargaining representative could have been conducted through a secret ballot election by the [National Labor Relations Board \(NLRB\)](#).
- Voluntarily disclose an employee's personal contact information to a labor organization, or a third party acting on behalf of a labor organization, without the employee's prior written consent, unless otherwise required by state or federal law.
- Sign a neutrality agreement with a labor organization.
- Require a subcontractor performing work for or providing services to the employer to engage in the above prohibited activities. (Section 2).

The bill provides that eligibility requirements apply to any work or service for an employer on a project for which an economic development incentive is awarded. (Section 2).

The bill authorizes a person or an entity to report a suspected violation of the Act to the Attorney General during the term of the separate agreement entered into between the Department and the employer. Upon receiving a report, the Attorney General shall determine whether a violation has occurred and shall request from the employer a copy of the written agreement executed pursuant to the Act. An employer's refusal to provide the written agreement to the Attorney General constitutes a violation of the separate agreement between the Department and the employer. (Section 2).

The bill requires the Attorney General to deliver written findings to the employer alleged to be in violation within 60 days. If the Attorney General finds that the employer violated the written agreement executed pursuant to the Act, the Attorney General shall initiate proceedings to recover funds awarded to the employer. The Attorney General's findings are final. (Section 2).

Before awarding an economic development incentive, the bill requires the Department to execute a separate agreement with the recipient of the incentive that reserves the right of the Department to recover the amount of money, grants, funds, or other incentives disbursed by the Department if the recipient benefitting from such money, grants, funds, or other incentives fails to comply with this section. Such agreement is effective for either:

- The duration of the project, to be determined by the Department, for an economic development incentive of less than \$5 million; or
- No longer than 5 years, for an economic development incentive of \$5 million or more. (Section 2).

The bill applies prospectively and excludes:

- A contract between the state and an employer executed before July 1, 2026; or

- A contract between an employer and a labor organization executed before July 1, 2026. (Section 2).

The bill provides an effective date of July 1, 2026. (Section 3).

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill requires the Department to enter into a separate agreement with economic development incentive recipients. Because the Department is currently required to enter into agreements with incentive recipients, and since this new activity aligns with current responsibilities of the Department, there will likely be an insignificant impact on their workload.

The bill however, creates new responsibilities and requirements for the Attorney General. The bill requires the AG to investigate reported violations of the provisions of the Act. If the AG finds an employer in violation of their written agreement with the Department, the AG must initiate proceedings to recover funds awarded to the employer. This provision bill will likely have an indeterminate negative fiscal impact on the Attorney General, but it is expected the AG can handle the workload within its existing resources. Additionally, any potential recovery of funds cannot be quantified at this time.

PRIVATE SECTOR:

The bill has an indeterminate impact on the private sector to the extent a recipient of an economic development incentive will be required to enter into a certain agreement with the Department in order to be eligible for such incentive.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Economic Development Incentives

Florida's current economic incentive framework reflects a major restructuring following the enactment of Chapter 2023-173, Laws of Florida, which eliminated Enterprise Florida, Inc. and consolidated economic development authority under the Florida Department of Commerce (Department).¹ The legislation repealed or removed several long-standing incentive programs, including the Qualified Target Industry Tax Refund, Quick Action Closing Fund, and Innovation Incentive Program, while adding programs such as the Florida Job Growth Grant Fund, the Research and Development Tax Credit Program, and rural and urban job tax credits to the state's review cycle.²

Florida's economic development system is multi-faceted and includes public agencies, non-profit corporations, and private entities at the state, regional, and local level.³ A core principle of the state's economic development incentive programs is that businesses are paid based on verified performance, meaning no tax dollars are paid until job creation or capital investment numbers are audited and confirmed.⁴ Florida provides different types of incentives such as tax refunds, tax exemptions, tax credits, and performance based grants.⁵

To apply for an economic incentive program, a business must submit a complete application to the Division of Economic Development of the Department, which will ensure completeness, identify required state and local

¹ Office of Program Policy Analysis and Government Accountability (OPPAGA), *Economic Development Programs: 2025*, <https://oppaga.fl.gov/Documents/Reports/25-08.pdf> (last visited Feb. 2, 2026).

² *Id.*

³ FloridaCommerce, *Types of Incentive Awards*, <https://www.floridajobs.org/office-directory/division-of-economic-development/economic-development-incentives-portal/types-of-incentive-awards> (last visited Feb. 2, 2026).

⁴ FloridaCommerce, *Economic Development Incentives Portal*, <https://floridajobs.org/office-directory/division-of-economic-development/economic-development-incentives-portal> (last visited Feb. 2, 2026).

⁵ FloridaCommerce, *supra* note 3.

permits (and whether they can be waived), and evaluate the potential incentives and their economic benefits using methods from the Office of Economic and Demographic Research.⁶ Within 10 business days of receiving a complete application, the Secretary of Commerce approves or denies the request and provides a written justification.⁷ Approved incentives are governed by contracts detailing the award amount, performance requirements, payment schedule, and sanctions, with funds released only if appropriated by the Legislature.⁸ The Department validates contractor performance annually and reports the results, while applicants must certify the accuracy of submitted information and comply with the E-Verify system, with noncompliance requiring repayment of funds.⁹

Labor Organizations

The State Constitution provides that “[t]he right of persons to work shall not be denied or abridged on account of membership or non-membership in any labor union or labor organization.”¹⁰ Based on this constitutional right, Florida is regarded as a “right-to-work” state.

Florida law defines “labor organization” as any organization of employees or local or subdivision thereof, the members of which are residents of the state, whether incorporated or not, organized for the purpose of negotiating with employers on issues such as work hours, rate of pay, working conditions, or grievances of any kind relating to employment, and which is recognized as a unit of bargaining by one or more employers doing business in Florida.¹¹

The State Constitution also guarantees that “the right of employees, by and through a labor organization, to bargain collectively shall not be denied or abridged.”¹² To implement this constitutional provision, the Legislature enacted ch. 447, F.S., which provides that employees in Florida have the right to:

- Self-organization;
- Form, join, or assist labor unions or labor organizations, or refrain from such activity;
- Bargain collectively through representatives of their own choosing; and
- Engage in concerned activities for the purpose of collective bargaining or other mutual aid or protection.¹³

Labor organizations in Florida are prohibited from charging an initiation fee in excess of \$15,¹⁴ and are required to keep accurate books of accounts that itemize all receipts and expenditures.¹⁵ Additionally, it is unlawful for any person in Florida to engage in any of the following activities:¹⁶

- To interfere with or prevent the “right of franchise”¹⁷ of any member of a labor organization.¹⁸
- To prohibit or prevent any election of the officers of a labor organization.¹⁹
- To charge, receive, or retain any dues, assessments, or other charges in excess of, or not authorized by, the constitution or bylaws of a labor organization.²⁰

⁶ [S. 288.061\(1\), F.S.](#)

⁷ [S. 288.061\(3\), F.S.](#)

⁸ [S. 288.061\(3\)\(a\), F.S.](#)

⁹ [S. 288.061\(4\) and \(6\), F.S.](#)

¹⁰ FLA. CONST. art. I, s. 6.

¹¹ [S. 447.02\(1\), F.S.](#)

¹² FLA. CONST. art. I, s. 6.

¹³ [S. 447.03, F.S.](#)

¹⁴ This prohibition does not apply to initiation fees in effect on January 1, 1940, which may continue as authorized. [S. 447.05, F.S.](#)

¹⁵ A member of a labor organization is entitled to inspect the books, records, and accounts of such labor organization at a reasonable time. See [s. 447.07, F.S.](#)

¹⁶ See [s. 447.09\(1\)-\(13\), F.S.](#)

¹⁷ The “right of franchise” includes the right of an employee to make complaint, file charges, give information or testimony concerning the violations of ch. 477, F.S., or the petitioning to a union regarding any grievance he or she may have concerning membership or employment, or the disclosure of facts concerning such grievance or violations of law to any public official, and the right of free petition, lawful assemblage, and free speech. [S. 447.09\(1\), F.S.](#)

¹⁸ *Id.*

¹⁹ [S. 447.09\(2\), F.S.](#)

²⁰ [S. 447.09\(5\), F.S.](#)

- To solicit membership for or to act as a representative of an existing labor organization without authority of such labor organization to do so.²¹
- To engage in picketing by force and violence, or to picket in such a manner as to prevent ingress and egress to and from any premises, or to picket other than in a reasonable and peaceable manner.²²

National Labor Relations Board (NLRB)

The National Labor Relations Board (NLRB) is an independent federal agency created in 1935 and vested with the power to safeguard employees' rights to organize, engage with one another to seek better working conditions, choose whether or not to have a collective bargaining representative negotiate on their behalf with their employer, or refrain from doing so.²³ The NLRB also acts to prevent and remedy unfair labor practices committed by private sector employers and unions, and conducts secret-ballot elections regarding union representation.²⁴ The NLRB is a bifurcated agency governed on one side by a five-person board and on the other side by a general counsel.²⁵ The board acts as a quasi-judicial body and decides cases in administrative proceedings, and the general counsel is responsible for the investigation and prosecution of unfair labor practice cases and for the general supervision of the NLRB field offices in the processing of cases.²⁶

BILL HISTORY

| COMMITTEE REFERENCE | ACTION | DATE | STAFF DIRECTOR/ POLICY CHIEF | ANALYSIS PREPARED BY |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------------------------------|-------------------------|
| Housing, Agriculture & Tourism Subcommittee | 11 Y, 4 N, As CS | 2/5/2026 | Curtin | Rodriguez |
| THE CHANGES ADOPTED BY THE COMMITTEE: | <ul style="list-style-type: none"> • Revises the definitions of "contract," "employee," and "employer"; • Requires the Attorney General to determine whether a violation of the separate agreement entered into by the Department of Commerce and the employer has occurred; and • Reduces the term of the separate agreement for economic development incentive awards of \$5 million or more from 20 years to no more than 5 years. | | | |
| Transportation & Economic Development Budget Subcommittee | 11 Y, 4 N | 2/12/2026 | Davis | McAuliffe |
| Commerce Committee | | | | |

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

²¹ [S. 447.09\(6\), F.S.](#)

²² [S. 447.09\(11\), F.S.](#)

²³ National Labor Relations Boards, *About NLRB*, <https://www.nlrb.gov/> (last visited Feb. 2, 2026).

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*